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EXAMINER

HAMILTON, LALITA M

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

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1 UNITED STATES PATENT AND TRADEMARK OFFICE

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4 BEFORE THE BOARD OF PATENT APPEALS
5 AND INTERFERENCES
6

7
8 *Ex parte* HENRI WAELEBROECK,
9 FRED J. FEDERSPIEL, and
10 JAMES J. ANGEL
11

12
13 Appeal 2009-010966
14 Application 09/750,768
15 Technology Center 3600
16

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18 Before MURRIEL E. CRAWFORD, ANTON W. FETTING, and
19 BIBHU R. MOHANTY, *Administrative Patent Judges*.
20 FETTING, *Administrative Patent Judge*.

21 DECISION ON APPEAL¹
22

¹ The two-month time period for filing an appeal or commencing a civil action, as recited in 37 C.F.R. § 1.304, or for filing a request for rehearing, as recited in 37 C.F.R. § 41.52, begins to run from the “MAIL DATE” (paper delivery mode) or the “NOTIFICATION DATE” (electronic delivery mode) shown on the PTOL-90A cover letter attached to this decision.

STATEMENT OF THE CASE²

Henri Waelbroeck, et al (Appellants) seek review under 35 U.S.C. § 134 (2002) of a final rejection of claims 1-2 and 4-39, the only claims pending in the application on appeal. We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b) (2002).

The Appellants invented a method for managing certified trading information to direct and execute confidential trading interest over a computer network such as the Internet. Specification 1:9-11.

An understanding of the invention can be derived from a reading of exemplary claim 31, which is reproduced below [bracketed matter and some paragraphing added].

31. A method of managing market information, comprising the steps of:

(a) electronically receiving data including confidential information regarding market participants;

(b) electronically storing said received data regarding market participants;

(c) electronically receiving an order-related query from a first market participant;

² Our decision will make reference to the Appellants' Appeal Brief ("App. Br.," filed June 3, 2008) and the Examiner's Answer ("Ans.," mailed August 21, 2008), and Final Rejection ("Final Rej.," mailed June 14, 2007).

- 1 (d) based on said received data regarding market participants,
2 calculating an estimate of a probability of execution if the order
3 were routed to market participants based on said query; and
4 (e) electronically reporting said probability to said first market
5 participant.

6

7 The Examiner relies upon the following prior art:

Lupien	US 5,950,177	Sep. 7, 1999
Shaw	US 2003/0004859 A1	Jan. 2, 2003
Condamoor	US 7,003,486 B1	Feb. 21, 2006

8

9 Claims 31-38 stand rejected under 35 U.S.C. § 102(e) as being
10 anticipated by Shaw.

11 Claims 1-2, 4-24, and 39³ stand rejected under 35 U.S.C. § 103(a) as
12 unpatentable over Shaw and Condamoor.

13 Claims 25-30 stand rejected under 35 U.S.C. § 103(a) as unpatentable
14 over Shaw, Condamoor, and Lupien.

15

16 ISSUES

17 The issue of whether the Examiner erred in rejecting claims 31-38 stand
18 35 U.S.C. § 102(e) as being anticipated by Shaw turns on whether Shaw

³ Claim 39 was omitted in the 35 U.S.C. § 103(a) as unpatentable over Shaw and Condamoor rejection in the Examiner's Answer. Ans. 5. However, claim 39 was included in this rejection in the Final Rejection submitted on June 14, 2007. Final Rej. 3. The Appellants acknowledge that claim 39 has been included in this rejection. App. Br. 19. As such, this omission is being considered a mere typographical error or oversight.

describes calculating a probability that an order will be executed, an executable order, reserving an order, and a time window for an auction.

The issue of whether the Examiner erred in rejecting claims 1-2, 4-24, and 39 under 35 U.S.C. § 103(a) as unpatentable over Shaw and Condamoor turns on whether Shaw and Condamoor describe limitations (d) and (e) of claim 1 and a dissemination list of claim 2.

The issue of whether the Examiner erred in rejecting claims 25-30 under 35 U.S.C. § 103(a) as unpatentable over Shaw, Condamoor, and Lupien turns on whether the Appellants' arguments in support of claim 2 are found to be persuasive.

FACTS PERTINENT TO THE ISSUES

The following enumerated Findings of Fact (FF) are believed to be supported by a preponderance of the evidence.

Facts Related to the Prior Art

Shaw

01. Shaw is directed to methods and systems for securely matching potential buyers and potential sellers in an anonymous and confidential manner. Shaw ¶ 0002.

02. The system includes a fungible item indication and a transaction side indication identifying one of two opposing transaction sides. Shaw ¶ 0027. A search component compares the stored item and transaction indications to identify opposing transaction sides. Shaw ¶ 0027. Identified parties on the

opposing sides of the transaction are selected and a message is sent to the parties that identifies the opposing party and identifies opposing party information in order to facilitate interaction between the sides to complete a transaction. Shaw ¶ 0027. The only parties alerted to a party's interests are those matched which leads to a confidential negotiated transaction. Shaw ¶'s 0169-0170. Parameters for trading can include pricing levels and time periods or duration of interest. Shaw ¶ 0077. When the time parameter for an indication has expired, the indication is assigned an expired state. Shaw ¶ 0134. A pairing of trading partners triggers two actions: a message to the users involved in the pairing and a removal of the matched interest indications. Shaw ¶ 0147. Upon entering negotiations, the status of an interest is changed to "N" to indicate a negotiation phase. Shaw ¶ 0182.

Condamoor

03. Condamoor is directed to electronic trading systems and dynamic pricing for electronic exchanges. Condamoor describes a system where partners specify their True Value, a value that reflects the true or actual value that a trading partner places on a trading element, for a product for a given period of time. Condamoor 3:49-51 and 4:13-15. The system then settles trades such that each trading partner settles the trade at a price equal to or better than their True Value. Condamoor 3:51-58.

04. Condamoor describe that trading partners keep their information about their True Value confidential from other trading partners. Condamoor 7:9-11.

Lupien

05. Lupien is directed to a continuous crossing network that matches buy and sell orders based upon a satisfaction and size profile. Lupien 1:10-14.

06. Lupien describes a system that stores buy profiles and sell profiles in order to calculate the degree of satisfaction of orders and presents the results in a ranked grid. Lupien 4:11-31.

ANALYSIS

Claims 31-38 rejected under 35 U.S.C. § 102(e) as being anticipated by Shaw

The Appellants contend that Shaw fails to describe limitations (d) and (e) of claim 31. App. Br. 15-16. We agree with the Appellants. Limitation (d) requires calculating an estimate of a probability of execution if the order is routed to market participants. Shaw describes a system that determines trading partners for an item (FF 02), but fails to describe the calculation of a probability that the order will be executed based on the input parameters.

The Examiner found that a probability can be any number or value as expressed as a transactional interest (Ans. 13). However, the described transactional interest is nothing more than a collection of data fields or parameters of the desired transaction and is not a probability. The Examiner

1 fails to provide any further rationale as to a number or value in Shaw that
2 describes a probability of execution. As such, Shaw fails to anticipate
3 independent claim 31 and dependant claims 32-33.

4 The Appellants also contend that Shaw fails to describe electronically
5 designating electronically executable orders found in said search as being
6 reserved, as required by limitation (e) of claim 34. App. Br. 17-18. We
7 disagree with the Appellants. Shaw describes a system that determines the
8 pairing of parties for a trade. FF 02. When trading partners are found, the
9 system removes the parties' matched interest indications and changes the
10 status of the indications to from "A" for active to "N" for negotiate. FF 02.
11 That is, the interest is removed from the matching system and is only
12 available to the matched partner for negotiation. This is the same as
13 reserving an order since that indication is no longer available for other
14 matching.

15 The Appellants further argue that Shaw only describes trading interests
16 whereas the claimed invention requires executable orders. App. Br. 14-15
17 and 17-18. We disagree with the Appellants. Claim 34 only requires
18 receiving data comprising an executable order and the received executable
19 order is routed to a participant. However, claim 34 does not further limit the
20 scope of the claimed invention to require that the order is actually executed.
21 As such, an executable order encompasses the receipt of information that
22 can be executed and the mere introduction of trading partners when a match
23 is found. Shaw describes that participants enter transaction indication
24 parameters into the system and the system matches trading partners based on
25 the input interest parameters. FF 02. An indication includes the parameters
26 specifying a specific item, pricing levels, and a time period. FF 02. These

1 parameters consist of elements that on an order that can be executed. As
2 such, Shaw describes an executable order as required by the claims.

3 The Appellants additionally contend that Shaw fails to describe a call
4 auction event time and routing an electronically executable order to a
5 participant at a time within a configurable time window surrounding one of
6 the call auction event times, as required by claim 38. App. Br. 18-19. We
7 disagree with the Appellants. Shaw describes that users can set parameters
8 for their trading interests and one such parameter is a duration or time
9 period. FF 02. A trading interest is assigned an expired state when a
10 duration of interest or time period elapses. FF 02. As such, Shaw describes
11 a time period and only matching or routing an indication within the time
12 period as required by claim 38.

13
14 *Claims 1-2, 4-24, and 39 rejected under 35 U.S.C. § 103(a) as*
15 *unpatentable over Shaw and Condamoor*

16 The Appellants first contend that Shaw fails to describe limitation (d) of
17 claim 1. App. Br. 19-21. We disagree with the Appellants. Limitation (d)
18 of claim 1 requires identifying a market participant most likely to take a
19 contra side of the executable order and as unlikely to use information
20 regarding the order in a manner that would affect the price or availability of
21 the security. Claim 1 further requires that the second market participant is
22 identified by the received confidential information. Claim 1 does not limit
23 the nature of the confidential information or exclude parties likely to use the
24 confidential information in an undesired manner. Shaw describes a system
25 that receives a transaction indication from a participant and matches that

1 participant to another participant on the opposing side of the indication. FF
2 02. Shaw further describes that the negotiations between two parties is
3 completely confidential and only the parties to the negotiation are alerted as
4 to the interests of the parties. FF 02. Since trading partners only know each
5 other's confidential information, they are unlikely to use this information in
6 a manner that affects the price or availability of the interest. As such, Shaw
7 describes determining a market participant on the opposing side of a
8 transaction and that market participant is unlikely to use the information to
9 affect the price or availability because of the confidential nature of the
10 transaction. The Appellants fail to provide any additional rationale as to
11 how Shaw fails to describe this limitation.

12 The Appellants further contend that Shaw and Condamoor fail to
13 describe limitation (e) of claim 1. App. Br. 21-23. We disagree with the
14 Appellants. Limitation (e) requires routing the executable orders to the first
15 and second market participants without revealing the market participant's
16 identity *or other confidential information*. That is, limitation (e) only
17 requires some confidential information is to not be revealed. Condamoor
18 describes a trading system where participants input a true or actual value
19 they place on an item as a True Value. FF 04. Condamoor further describes
20 that the True Value input by participants is held confidential. FF 04. Since
21 limitation (e) only requires that some confidential is not revealed,
22 Condamoor's description of not revealing participants' True Value describes
23 limitation (e).

24 The Appellants also contend that Shaw fails to describe producing a
25 targeted dissemination list, as required by claim 2. App. Br. 23-24. We
26 agree with the Appellants. Shaw describes receiving a transaction interest

1 from a participant and matching that participant with one other participant
2 on the opposing side of the transaction. FF 02. However, Shaw fails to
3 describe producing a list of second market participants on the opposing side
4 of a transaction. The Examiner alleges that Shaw describes this limitation in
5 paragraphs 0023 and 0142 (Ans. 12), but fails to provide any specific
6 rationale as to how these cited portions of Shaw describe a list of matching
7 participants. As such, Shaw and Condamoor fail to describe claim 2.

8 The Appellants further contend that Shaw and Condamoor fail to
9 describe claims 4-13. App. Br. 24-26. We disagree with the Appellants.
10 Appellants' arguments regarding the limitations in claims 4-13 are no more
11 than general allegations that those limitations are not described by Shaw and
12 Condamoor. "It is not the function of this court to examine the claims in
13 greater detail than argued by an appellant, looking for nonobvious
14 distinctions over the prior art." *In re Baxter Travenol Labs*, 952 F.2d 388,
15 391 (Fed. Cir. 1991). *See also In re Wiseman*, 596 F.2d 1019, 1022 (CCPA
16 1979) (arguments must first be presented to the board). A general allegation
17 that the art does not teach any of the claim limitations is no more than
18 merely pointing out the claim limitations. A statement which merely points
19 out what a claim recites will not be considered an argument for separate
20 patentability of the claim. 37 C.F.R. § 41.37(c)(1)(vii).

21 Claims 14-24 and 39 depend from claim 2 and therefore Shaw and
22 Condamoor fail to describe these claims for the same reasons discussed
23 *supra*. Since this issue is dispositive as to the rejections against these
24 claims, we need not reach the remaining arguments raised by the Appellants
25 against these rejections.

1

2 *Claims 25-30 rejected under 35 U.S.C. § 103(a) as unpatentable over*
3 *Shaw, Condamoor, and Lupien*

4 Claims 25-30 depend from claim 2 and therefore Shaw, Condamoor, and
5 Lupien fail to describe these claims for the same reasons discussed *supra*.
6 Since this issue is dispositive as to the rejections against these claims, we
7 need not reach the remaining arguments raised by the Appellants against
8 these rejections.

9

10 CONCLUSIONS OF LAW

11 The Examiner erred in rejecting claims 31-33 under 35 U.S.C. § 102(e)
12 as being anticipated by Shaw.

13 The Examiner did not err in rejecting claims 34-38 under 35 U.S.C.
14 § 102(e) as being anticipated by Shaw.

15 The Examiner did not err in rejecting claims 1 and 4-13 under 35 U.S.C.
16 § 103(a) as unpatentable over Shaw and Condamoor.

17 The Examiner erred in rejecting claims 2, 14-24, and 39 under 35 U.S.C.
18 § 103(a) as unpatentable over Shaw and Condamoor.

19 The Examiner erred in rejecting claims 25-30 under 35 U.S.C. § 103(a)
20 as unpatentable over Shaw, Condamoor, and Lupien.

21

22

DECISION

To summarize, our decision is as follows.

- The rejection of claims 31-33 under 35 U.S.C. § 102(e) as being anticipated by Shaw is not sustained.
- The rejection of claims 34-38 under 35 U.S.C. § 102(e) as being anticipated by Shaw is sustained.
- The rejection of claims 1 and 4-13 under 35 U.S.C. § 103(a) as unpatentable over Shaw and Condamoor is sustained.
- The rejection of claims 2, 14-24, and 39 under 35 U.S.C. § 103(a) as unpatentable over Shaw and Condamoor is not sustained.
- The rejection of claims 25-30 under 35 U.S.C. § 103(a) as unpatentable over Shaw, Condamoor, and Lupien is not sustained.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2007).

AFFIRMED-IN-PART

mev

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Appeal 2009-010966
Application 09/750,768

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